Jeanne Glenn May 03, 2011 471-0056

LB 305

Revision: 01

FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

Revised based on amendments adopted.

ESTIMATE OF FISCAL IMPACT - STATE AGENCIES *							
	FY 2011-12		FY 2012-13				
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE			
GENERAL FUNDS							
CASH FUNDS	65,000		30,000				
FEDERAL FUNDS							
OTHER FUNDS							
TOTAL FUNDS	65,000		30,000				

^{*}Does not include any impact on political subdivisions. See narrative for political subdivision estimates.

LB 305 as amended would direct the Department of Agriculture to provide a report to the Legislature regarding the actions necessary to establish a state meat and poultry inspection program, including necessary statutory changes and funding requirements. LB 305 would amend the use of the Commercial Feed Administration Cash Fund to include costs related to this study. It is estimated that such a study could be conducted at a cost \$35,000, and would represent a one-time cost to the fund.

LB 305 would also amend the use of the Commercial Feed Administration Cash Fund to include cooperative funding for the Market News program. It is estimated that \$30,000 cash funds would be expended annually to provide funding for the program.

Date: 4/8/2011

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FISCAL NOTE LB305 Agriculture

APR 0 8 2011

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Date Prepared	3/31/2011
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LEGISLATIVE FISCAL

Estimate Provided By State Agency or Political Subdivision

	FY 2011-2012		FY 2012-2013	
	Expenditures	Revenue	Expenditures	Revenue
General Funds				
Cash Funds	\$80,000		\$33,000	
Federal Funds				
Other Funds				
Total Funds	\$80,000		\$33,000	

Explanation of Estimate:

LB 305 with AM 1039 allows the department to use the Commercial Feed Administration Cash Fund to aid in defraying the expenses related to a cooperative agreement with the United States Department of Agriculture, (USDA), Market News reporting program, and to provide resources to conduct the investigation and feasibility study for implementing a state meat and poultry inspection program.

On or before November 15, 2011, the Director shall provide a report to the Legislature, which includes a detailed description of anticipated resources required to develop and maintain a state meat and poultry inspection program, including the implementation of a feefor-service system in conducting inspections.

The department would contract with outside parties to complete the study. The study could include surveying industry across the state for need and potential use of a state meat and poultry inspection program, facilitate discussions with USDA on federal requirements for a cooperative state program, review other state programs, any other appropriate research, and compile a final report. The department estimates a cost of \$50,000 to ensure adequate funds for a thorough and comprehensive study that will provide legislators with the best possible information. This amount will not impact the viability of the Commercial Feed Administration Cash Fund and will provide NDA adequate resources for a complete study.

To continue the Market News Program, the fiscal impact is \$30,000 for FY 2011-12 and \$33,000 for FY 2012-13. This estimate is based on continuing to charge \$50 per sale to each participating auction market. Currently eleven markets are under contract and approximately 300-315 sales are reported annually.

Major Objects of Expenditure

	Number of Positions		FY 2011-2012	FY 2012-2013
Position Title	FY 2011-2012	FY 2012-2013	Expenditures	Expenditures
		Benefits		
		Operating	\$80,000	\$33,000
		Travel		
		Capital outlay		
		Aid		
		Capital improvements		
		Total	\$80,000	\$33,000